TO

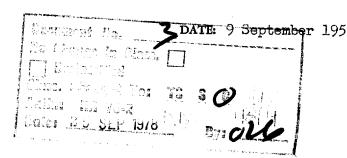
Comptroller

FROM

Chief, Finance Division

SUBJECT:

TDY Trip to FE



1. Reference is made to our discussion regarding your impending proposed trip to the Far East.

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- 2. In accordance with our discussion, property transactions involving stations under property control by the Supply Control Center at have been analyzed for the period January through April 1955. This analysis reveals that during this period not more than 15 per cent of property transactions indicate that the property represented thereby was physically handled by the Supply Depot on behalf of stations under the system. Assuming that our records are a fair indication of the operations of the SCC, it seems natural to conclude that the original concept of a centralized depot and supply point has not been realized and that continuation of centralized inventory records on the basis that such is the case is erroneous and results in the necessity for processing documentation through channels not normally used for supply purposes.
- 3. In view of the above indications, it is suggested that during your forthcoming trip you may wish to explore the feasibility and desirability of:
 - a. Recommending that each station presently under the FE supply system (including SCC) be reconstituted as a separate, independent supply accountability point, with responsibility for maintenance of complete, official inventory records.
 - b. Upon decentralization of supply control as outlined above, the installation of the manual system for the recording and reporting of monetary values of inventories and supply transactions.
 - c. Recommending that the centralized supply depot be continued as a reserve depot, with responsibility for the supply and control of current requirements only in areas of particularly sensitive material.
- 4. It is realized that adoption of the above concept of decentralized supply control, is a matter primarily for resolving in the light of logistics policy. Further, the process for recording monetary values of property transactions must follow supply processes, procedures and policy. If, however, Logistics policy and procedure were revised toward a decentralized system, it

Approved For Release 2000/08/29 : CIA-RDP78-05538A000100150010-4



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is my opinion that, insofar as Comptroller personnel are concerned, present staffs at the various stations are substantially adequate to handle the additional responsibility and that the staff personnel) and equipment now devoted to monetary recording of property at the SCC could be substantially reduced.

